

**POINTE COUPEE PARISH SHERIFF  
NEW ROADS, LOUISIANA  
ANNUAL FINANCIAL REPORT  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

1/23/08

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# MAJOR & MORRISON

CERTIFIED PUBLIC ACCOUNTANTS

JOHN L. MORRISON III, CPA, PC  
MARK A. DAVID, CPA, PC

VAN P. MAJOR, CPA (1951-2005)

MEMBERS:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

Honorable Paul Raymond Smith  
Pointe Coupee Parish Sheriff  
P O Box 248  
New roads, Louisiana 70760

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee Parish Sheriff as of and for the year ended June 30, 2007, which collectively comprise the Sheriff's basic financial statements as listed in the foregoing table of contents. These financial statements are the responsibility of the Pointe Coupee Parish Sheriff's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee Parish Sheriff, as of June 30, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2007 on our consideration of the Pointe Coupee Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and budgetary comparison information on pages 3 through 8 and pages 30-31, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the other supplemental information schedules as listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Pointe Coupee Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Major and Morrison  
New Roads, Louisiana  
December 7, 2007

*Major: Morrison*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **POINTE COUPEE PARISH SHERIFF**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2007**

Within this section of the Pointe Coupee Parish Sheriff (the Sheriff) annual financial report, the Sheriff's management provides this narrative discussion and analysis of the financial activities of the Sheriff for the fiscal year ended June 30, 2007. The Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

#### **FINANCIAL HIGHLIGHTS**

The Sheriff's assets exceeded its liabilities by \$4,906,280 (net assets) for the fiscal year reported.

Total assets are comprised of the following:

1. Capital assets, net of related debt, of \$2,685,058 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt.
2. Unrestricted net assets of \$2,168,400 represent the portion available to maintain the Sheriff's continuing obligations to citizens and creditors.

The Sheriff's governmental funds reported total ending fund balance of \$2,221,222 this year. This compares to the prior year ending fund balance of \$1,684,501, showing an increase of \$536,721. General fund balance of \$2,221,222 shows a \$536,721 increase from the prior year.

At the end of the current fiscal year, unreserved-undesignated fund balance for the General Fund was \$2,168,400. Due to increased revenues from federal homeland security grants, work release program revenues, interest earnings with lower expenditure increases, the Sheriff's office was able to improve operating performance, increase cash flow, and improve fund balance for this current fiscal year end. The financial highlights are explained in more detail in the "financial analysis" section of this document.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the Sheriff's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Sheriff also includes in this report additional information to supplement the basic financial statements.

##### **Government-wide Financial Statements**

The Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Sheriff's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Sheriff's finances would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Sheriff's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Sheriff's distinct activities or functions on revenues provided by the Sheriff's taxpayers.

## **POINTE COUPEE PARISH SHERIFF**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2007**

The government-wide financial statements present governmental activities of the Sheriff that are principally supported by property taxes. The sole purpose of these governmental activities is public safety. The government-wide financial statements are presented on pages 9 and 10 of this report.

#### **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Sheriff's most significant funds rather than the Sheriff as a whole.

The Sheriff has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Sheriff's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The basic governmental fund financial statements are presented on pages 11-15 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending a court action and the individual prison inmate accounts. The Sheriff only reports agency funds. The basic agency fund financial statement is presented on page 16 of this report.

#### **Notes to the basic financial statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

#### **Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Sheriff's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund. These statements and schedules demonstrate compliance with the Sheriff's adopted and final revised budget. Required supplementary information can be found on pages 30 and 31 of this report.

In addition, other supplemental information providing details on the nonmajor governmental funds, individual agency funds, and the schedule of expenditure of federal awards is presented on pages 33 through 40 of this report.



**POINTE COUPEE PARISH SHERIFF**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2007**

**FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE**

The Sheriff's net assets at fiscal year-end are \$4,906,280. The following table provides a summary of the Sheriff's net assets:

Summary of Net Assets

	2007 Governmental Activities	%	2006 Governmental Activities	%
	<u>Total</u>		<u>Total</u>	
Assets:				
Current assets and other assets	\$ 2,473,818	45%	\$ 1,869,763	40%
Capital assets	<u>3,015,058</u>	<u>55%</u>	<u>2,811,208</u>	<u>60%</u>
Total Assets	<u>5,488,876</u>	<u>100%</u>	<u>4,680,971</u>	<u>100%</u>
Liabilities:				
Current liabilities	327,596	56%	255,262	44%
Long-term liabilities	<u>255,000</u>	<u>44%</u>	<u>330,000</u>	<u>56%</u>
Total liabilities	<u>582,596</u>	<u>100%</u>	<u>585,262</u>	<u>100%</u>
Net assets:				
Investment in capital assets, net of debt	2,685,058	59%	2,411,208	59%
Restricted	52,822	1%	5,660	1%
Unrestricted	<u>2,168,400</u>	<u>40%</u>	<u>1,678,841</u>	<u>40%</u>
Total net assets	<u>\$4,906,280</u>	<u>100%</u>	<u>\$ 4,095,709</u>	<u>100%</u>

The Sheriff has increased his current ratio during the current year. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 7.55 to 1, reflecting a continued improvement over the prior year's operating cycle.

The Sheriff reported positive ending balances in net assets for the governmental activities. Net assets for the sheriff increased by \$810,571 for governmental activities in fiscal 2007.

Note that 55% of the governmental activities' total assets are tied up in capital assets. The Sheriff uses these capital assets to provide services to its citizens.

The following table provides a summary of the Sheriff's changes in net assets:

**POINTE COUPEE PARISH SHERIFF**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2007**

Summary of Changes in Net Assets

	Governmental Activities <u>6/30/07</u>	Percent of Total <u>6/30/07</u>	Governmental Activities <u>6/30/06</u>	Percent of Total <u>6/30/06</u>
Revenues:				
Program:				
Charges for services	\$ 1,691,188	24%	\$ 1,515,829	24%
Operating grants	221,024	3%	488,749	7%
Capital grants	588,029	8%	62,509	1%
General:				
Ad Valorem taxes	4,074,525	59%	3,876,201	62%
Unrestricted state grants	253,953	4%	258,053	4%
Interest earnings	96,685	1%	45,947	1%
Miscellaneous	<u>29,144</u>	<u>1%</u>	<u>39,042</u>	<u>1%</u>
Total revenues	<u>6,954,548</u>	<u>100%</u>	<u>6,286,330</u>	<u>100%</u>
Program expenses:				
Public safety	6,124,612	99%	5,258,056	99%
Interest	<u>19,366</u>	<u>1%</u>	<u>23,365</u>	<u>1%</u>
Total expenses	<u>6,143,977</u>	<u>100%</u>	<u>5,281,422</u>	<u>100%</u>
Change in net assets	810,571		1,004,908	
Beginning net assets	<u>4,095,709</u>		<u>3,090,801</u>	
Ending net assets	<u>4,906,280</u>		<u>4,095,709</u>	

**Governmental Revenues**

The Sheriff is heavily reliant on property taxes to support its operation. Property taxes provided 59% of the sheriff's total revenues. Program revenues, intergovernmental agreements, sheriff's office fees and commissions, other sheriff's office revenues, and interest on deposits fund 41% of governmental operating expenses. Current year percentages for property taxes compared to prior year dropped slightly due to increased grant fund revenues. Interest earnings increased due to better cash flow and the investment of excess funds. Charges for services increased due to the implementation of an inmate work release program in its second year of operations.

**Governmental Functional Expenses**

The total function of the Sheriff's office is public safety activities. The only other non-functional cost was interest expense related to the certificates of indebtedness. Of the total public safety costs, depreciation on the capital assets was \$333,056 or 5.4% of total costs.

**POINTE COUPEE PARISH SHERIFF**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2007**

**FINACIAL ANALYSIS OF THE SHERIFF'S FUNDS**

**Governmental funds:**

As discussed, governmental funds are reported in the fund statements with short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$2,221,222. Of this year-end total, \$2,168,400 is unreserved indicating availability for continuing the sheriff's activities. Legally restricted fund balances (reserved fund balances) include \$52,822 for possible liability claims.

The total ending fund balances of governmental funds show an increase of \$536,721 and resulted from increased property tax revenues, increased revenue from the inmate work release program, and increased grant revenues from homeland security.

**Major Governmental Funds**

The General Fund is the Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's balance increased by \$536,721 from the prior year. In fiscal 2005 - 2006 the General Fund increased approximately \$1,004,908. The current year increase was significant due to a number of factors, mainly increases in revenue. Revenue increases were mainly the result of increased tax collection, grant revenues, and increased prisoner revenue due to second year operations of an inmate work release program. Increases in personnel costs and benefits due to across the board raises, health insurance and pension cost increases and small increases in capital outlays resulted in overall expenditure increases, but within acceptable levels.

The General Fund's ending fund balance increased over the prior year, reflecting continued improvement to the department's operations.

**Budgetary Highlights**

**General Fund**

The General Fund's final budget reflected an increase in revenues over the original budget in the amount of \$610,092 due to increases in estimated tax revenue, grant revenues, inmate work release program revenues, and interest earnings.

The final budget reflected an increase in expenditures over the original budget in the amount of \$624,992. Increases in some areas were offset by decreases in other items:

- Salaries and related benefits were estimated higher due to raises, health insurance and pension costs
- Capital outlay was increased for new vehicle purchases via grant revenues
- Materials and supplies, including fuel, were budgeted higher due to price increases

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The Sheriff's investment in capital assets, net of accumulated depreciation and debt as of June 30, 2007, was \$2,685,058. The overall increase was 11.3% for the Sheriff as a whole. See footnote number 7 for additional information about changes in capital assets during the fiscal year and balances at year end. The following table reflects a summary of capital asset activity.

**POINTE COUPEE PARISH SHERIFF**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2007**

**Capital Assets:**

	<u>Governmental Activities</u>	
	<u>2007</u>	<u>2006</u>
Depreciable assets:		
Buildings, furniture & fixtures	\$ 1,580,936	\$ 1,621,168
Weapons & law enforcement equipment	2,487,933	2,409,023
Vehicles	<u>1,320,732</u>	<u>1,020,907</u>
Total depreciable assets	5,389,601	5,051,098
Less accumulated depreciation	<u>2,459,704</u>	<u>2,325,051</u>
Book value - depreciable assets	<u>\$ 2,929,897</u>	<u>\$ 2,726,047</u>
Percentage depreciated	<u>46%</u>	<u>46%</u>

The major additions to capital assets include:

Weapons and equipment from grant revenue	\$ 237,808
New computers	\$ 52,167
Law enforcement vehicles (grant revenue)	\$ 321,366

**Long-term debt:**

At the end of the fiscal year, the Sheriff had long-term debt in the amount of \$255,000 (excluding current portions due within the next year), representing outstanding certificates of indebtedness from the building and equipping of the 911 communication center.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Approximately 59% of the sheriff's revenues are derived from ad valorem taxes, with the NRG power plant providing 33% of the ad valorem taxes in the parish. As the plant ages, assessment values and revenues will continually decline. Ad valorem taxes are estimated to remain stable for the coming year along with other revenues. Expenses in total are expected to remain steady with grant revenue funds budgeted for capital outlay purchases. Group health costs are estimated to increase by 28% with no increases in pension expenses. Some operating costs such as fuel and maintenance will increase based on the fluctuating cost of gasoline and outside labor. The sheriff expects to continue to have a balanced budget and to operate the office from a better financial position.

**CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Sheriff's finances, comply with finance-related laws and regulations, and demonstrate the Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Paul Raymond Smith, Sheriff, Pointe Coupee Parish Sheriff and Tax Collector, 215 East Main Street New Roads, LA, 70760.

## **BASIC FINANCIAL STATEMENTS**

POINTE COUPEE PARISH SHERIFF  
New Roads, Louisiana

Statement of Net Assets

June 30, 2007

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 82,900
Investments	2,102,498
Accounts receivable	99,735
Intergovernmental receivables	188,684
Capital assets:	
Land	85,161
Other capital assets, net of depreciation	<u>2,929,897</u>
Total Assets	<u>5,488,876</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	252,596
Current portion of long-term obligations	75,000
Non-current portion of long-term obligations	<u>255,000</u>
Total Liabilities	<u>582,596</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	2,685,058
Restricted for:	
Claims liability	52,822
Unrestricted (deficit)	<u>2,168,400</u>
Total net assets	<u>\$ 4,906,280</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**

**Statement of Activities**

**For the Year Ended June 30, 2007**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government - Public Safety	\$ 6,124,612	\$ 1,691,188	\$ 221,024	\$ 588,029	\$ (3,624,371)
Interest on long term debt	<u>19,366</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(19,366)</u>
Total governmental activities	<u>\$ 6,143,977</u>	<u>\$ 1,691,188</u>	<u>\$ 221,024</u>	<u>\$ 588,029</u>	<u>\$ (3,643,736)</u>
General revenues:					
Ad valorem taxes					4,074,525
State revenue sharing					161,331
Video poker revenues					92,622
Gain (loss) on sale of equipment					(628)
Miscellaneous					29,772
Unrestricted investment earnings					<u>96,685</u>
Total general revenues					<u>4,454,307</u>
Change in net assets					810,571
Net assets - beginning of the year					<u>4,095,709</u>
Net assets - end of the year					<u>\$ 4,906,280</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**

June 30, 2007

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS AND OTHER DEBITS</b>			
Assets:			
Cash and cash equivalents	\$ 82,900	\$ 0	\$ 82,900
Investments	2,102,498	0	2,102,498
Receivables	288,419	0	288,419
	<u>2,473,818</u>	<u>0</u>	<u>2,473,818</u>
Total Assets and Other Debits	\$ 2,473,818	\$ 0	\$ 2,473,818
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>			
Liabilities:			
Accounts and salaries payable	\$ 21,772	\$ 0	\$ 21,772
Compensated absences payable	178,002	0	178,002
Claims liability	52,822	0	52,822
	<u>252,596</u>	<u>0</u>	<u>252,596</u>
Total Liabilities	252,596	0	252,596
Equity and Other Credits:			
Fund balances			
Unreserved - designated	52,822	0	52,822
Unreserved - undesignated	2,168,400	0	2,168,400
	<u>2,221,222</u>	<u>0</u>	<u>2,221,222</u>
Total Equity and Other Credits	2,221,222	0	2,221,222
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<u>\$ 2,473,818</u>	<u>\$ 0</u>	<u>\$ 2,473,818</u>

The accompanying notes are an integral part of this statement.



POINTE COUPEE PARISH SHERIFF  
New Roads, Louisiana

Reconciliation of the Balance Sheet - Governmental Funds  
to the Statement of Net Assets

For the Year Ended June 30, 2007

Total fund balance - governmental funds	\$ 2,221,222
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Balance sheet - governmental funds.	3,015,058
Long-term liabilities, including certificates of indebtedness, are not due and payable in the current period and therefore are not reported in the governmental funds.	<u>(330,000)</u>
Total net assets of governmental activities	<u>\$ 4,906,280</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**GOVERNMENTAL FUNDS**

**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance**  
**For the Year Ended June 30, 2007**

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>			
Ad valorem taxes	\$ 4,074,525	\$ 0	\$ 4,074,525
Intergovernmental revenues:			
Federal grants	92,607	511,202	603,809
State grants:			
State revenue sharing	161,331	0	161,331
State supplemental pay	143,216	0	143,216
Miscellaneous	1,000	0	1,000
Local	191,776	0	191,776
Fees, charges, and commissions for services:			
Commissions on licenses, etc.	14,332	0	14,332
Civil and criminal fees	118,187	0	118,187
Court attendance	12,988	0	12,988
Feeding, transporting, and keeping prisoners	935,806	0	935,806
Fines and forfeitures	107,540	0	107,540
Interest	96,685	0	96,685
Miscellaneous	493,984	0	493,984
	<u>6,443,975</u>	<u>511,202</u>	<u>6,955,177</u>
<b>EXPENDITURES</b>			
Public safety:			
Personal services and related benefits	3,878,835	0	3,878,835
Operating Services	683,539	86,635	770,174
Materials and supplies	535,997	5,309	541,306
Capital outlay	175,389	419,258	594,647
Debt service	89,366	0	89,366
Miscellaneous	544,328	0	544,328
	<u>5,907,454</u>	<u>511,202</u>	<u>6,418,656</u>
<b>EXCESS(Deficiency) OF REVENUES</b>			
<b>OVER EXPENDITURES</b>	<u>\$ 536,521</u>	<u>\$ 0</u>	<u>\$ 536,521</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**GOVERNMENTAL FUNDS**

**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance**  
**For the Year Ended June 30, 2007**

	<u>GENERAL FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES</b>	\$ 536,521	\$ 0	\$ 536,521
<b>OTHER FINANCING SOURCES (Uses)</b>			
Sale of equipment	<u>200</u>	<u>0</u>	<u>200</u>
Total other financing sources (uses)	<u>200</u>	<u>0</u>	<u>200</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	536,721	0	536,721
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>1,684,501</u>	<u>0</u>	<u>1,684,501</u>
<b>FUND BALANCE AT END OF YEAR</b>	\$ <u>2,221,222</u>	\$ <u>0</u>	\$ <u>2,221,222</u>

The accompanying notes are an integral part of this statement.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities**

**For the Year Ended June 30, 2007**

Net change in fund balances - total governmental funds \$ 536,721

Amounts reported for governmental activities in the statement of activities are  
different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount which capital outlays exceeded depreciation in the current period.

Capital outlays	594,647
Depreciation expense	(333,056)

Governmental funds report the proceeds from the sale of capital assets as revenues. However, in the statement of activities only gains or losses are reported. The statement of net assets reports the cost of assets, whereas governmental funds do not. Therefore, donation of an asset through a cooperative agreement is accounted for as an expense in the statement of net assets, but not in the governmental funds.

Gain (loss) on the disposal of capital assets	(628)
Proceeds from sale of capital assets	(200)
Donation of capital asset - cooperative endeavor	(56,912)

Repayment of the principal of long term debt results in the use of current financial resources in the governmental funds, but has no effect on the Statement of Net Assets. This represents the amount of principal retirement of long term debt.

70,000

Change in net assets of governmental activities	<u>\$ 810,571</u>
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The accompanying notes are an integral part of this statement.

POINTE COUPEE PARISH SHERIFF  
New Roads, Louisiana

STATEMENT OF FIDUCIARY NET ASSETS  
June 30, 2007

	<u>AGENCY FUNDS</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ <u>646,081</u>
TOTAL ASSETS	\$ <u>646,081</u>
<b>LIABILITIES</b>	
Due to taxing bodies and others	<u>646,081</u>
TOTAL LIABILITIES	\$ <u>646,081</u>

The accompanying notes are an integral part of this statement.

**NOTES TO THE FINANCIAL STATEMENTS**

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 2007

**INTRODUCTION**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols and investigation and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem property taxes, state revenue sharing funds, sporting licenses, and fines, costs, and bond forfeitures imposed by the district court.

**1. SUMMARY OF SIGNIFICANT POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the Pointe Coupee Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*, issued in June 1999.

**B. REPORTING ENTITY**

The sheriff is an independently elected official. The Pointe Coupee Parish Police Jury does maintain and operate the parish courthouse in which the sheriff's office is located. However, because the police jury does not provide significant assistance to the sheriff, which makes the sheriff fiscally independent of the police jury, the sheriff was determined not to be a component unit of the Pointe Coupee Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the sheriff and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Funds of the sheriff are classified into two categories: governmental and fiduciary. Each category, in turn is divided into separate fund types. The fund classifications and a description of each existing fund type follows:

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

**Governmental Funds**

Governmental funds account for all or most of the sheriff's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources, which may be used to finance future period programs or operations of the sheriff. The following are the sheriff's governmental funds:

*General Fund* -- The General Fund, as provided by Louisiana Revised Statute 13:1422, is the principal fund of the sheriff's office and accounts for all financial resources, except those required to be accounted for in other funds. The sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

*Special Revenue Funds*: Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

**Fiduciary Funds:**

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the sheriff are agency funds. The agency funds account for assets held by the sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

**D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)**

The Statement of Net Assets and the Statement of Activities display information about the sheriff as a whole. These statements include all the financial activities of the sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** -- Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the sheriff's general revenues.

**Fund Financial Statements (FFS)**

The amounts reflected in the General Fund and other funds of the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other



**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana  
Notes to the Financial Statements

financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the sheriff's operations (See the reconciliation statements).

The amounts reflected in the General Fund in the FFS use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Federal and state entitlements (which include state supplemental pay for deputies and state revenue sharing) are recorded as unrestricted grants-in-aid when available and measurable. Federal and state grants are recorded when the expenditures have been incurred.

Local intergovernmental reimbursements are recognized monthly when available and measurable.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Interest earnings on time deposits are recorded when the time deposits are matured and the interest is available. Interest on checking and money market accounts is recorded monthly when the interest is available.

Feeding, transporting, and maintenance of prisoners' revenues are recorded monthly for services rendered during the month.

Substantially all other revenues are recorded when received.

**Expenditures**

Salaries are recorded as expenditures when earned.

Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased.

Compensated absences are recognized as benefits are earned.

Substantially all other expenditures are recognized when the related fund liability has been incurred.

**Other Financing Sources (Uses)**

Transfers between funds, which are not expected to be repaid, are accounted for as other financing sources (uses) when the sheriff authorizes the transfer.

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana  
Notes to the Financial Statements

**Deferred Revenues**

Deferred revenues arise when resources are received by the sheriff before it has legal claim to them, as when grant monies are received before the incurrence of qualifying expenditure. In subsequent periods, when the sheriff has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

**E. BUDGETS**

The proposed budget for the general fund for fiscal year June 30, 2007 was made available for public inspection on April 27, 2006. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 14 days before the public hearing, which was held at the Pointe Coupee Parish Sheriff's office on May 11, 2006, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the sheriff. Formal budgetary integration is not employed for the special revenue funds due to their limited size.

All expenditure appropriations lapse at year-end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Encumbrance accounting is not used. However, formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

**F. ENCUMBRANCES**

The Office of the Pointe Coupee Parish Sheriff does not employ encumbrance accounting.

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the sheriff may deposit with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

**H. INVESTMENTS**

Investments are limited by R.S. 33:2955 and the sheriff's investment policy. If the original maturities exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

GASB Statement No. 31 requires the sheriff to report investments at fair value in the balance sheet, except as follows:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, should be reported using a cost-based measure, provided that the fair value of those contracts is not significantly affected by the impairment of the credit standing of the issuer or other factors.
2. The sheriff may report at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana  
Notes to the Financial Statements

investment contracts include U.S. Treasury obligations. Interest-earning investment contracts that include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

In accordance with GASB Statement No. 31, the sheriff reports investments at amortized cost, money market investments and participating interest-bearing investment contracts that have a remaining maturity at time of purchase of one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

**I. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$500 or more for capitalizing capital assets. All fixed assets are valued at historical cost.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Vehicles	5 years
Office furniture & equipment	5 -- 20 years
Law enforcement weapons & equipment	7 -- 10 years
Buildings	40 years

**J. COMPENSATED ABSENCES**

The sheriff's office has the following policy relating to vacation and sick leave:

Annual Leave

3.5 hours per month for years 0 through 2 years of service.

7.0 hours per month for years 2 through 5 years of service.

10.5 hours per month for years 5 through 10 years of service.

12.0 hours per month after 10 years of service.

A maximum of 144 hours of annual leave may be carried over from one calendar year to the next.

K-time

Compensatory time may be awarded to employees in lieu of cash payments and is work performed in connection with an emergency declared by the sheriff. K-time may accrue up to a maximum of 80 hours, and may be carried over from one calendar year to the next.

Sick Leave

All employees are limited to 120 hours of sick leave per year.

The sheriff's recognition and measurement criteria for compensated absences follows GASB Statement No. 16 which provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

- a. The employees' rights to receive compensation are attributable to services already rendered.
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

**K. RESTRICTED NET ASSETS**

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

- 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
- 2) imposed by law through constitutional provisions or enabling legislation.

**L. FUND EQUITY**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

**M. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

No individual funds had actual expenditures over budgeted appropriations for the year ended June 30, 2007.

**3. LEVIED TAXES**

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Property Tax	15.39	15.39	Indefinite

The following are the principal taxpayers for the parish:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Ad Valorem Tax Revenue for Sheriff</u>
La. Generating, LLC	Electric	\$ 100,133,720	33.25%	\$ 1,541,058
Entergy Gulf States	Electric	23,189,020	7.70%	356,879
BP America Production	Oil & Gas	15,860,850	5.26%	244,098
Union Pacific Corp	Railroad	5,181,915	1.72%	79,750
Transcontinental Gas Pipeline	Pipeline	4,608,430	1.53%	70,924
Neighbors Drilling USA, Inc.	Oil & Gas	3,840,300	1.27%	59,102

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

Colonial Pipeline Company	Pipeline	3,618,600	1.20%	55,690
Total		\$156,432,835	51.93%	\$2,407,501

**4. DEPOSITS AND INVESTMENTS**

**A. Cash and Cash Equivalents**

Cash and cash equivalents include bank accounts and short-term investments. See Note 1(G) for additional cash disclosure note information.

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure the Sheriff's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured and collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the Sheriff. The Sheriff's cash and investment policy, as well as state law, require that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the bank. The following chart represents bank balances for the sheriff as of June 30, 2007. Deposits are listed in terms of whether they are exposed to custodial credit risk.

<u><b>Bank Balances</b></u>				
	<u>Uninsured &amp;</u>	<u>Uninsured &amp; collateralized</u>	<u>Total Bank Balances -</u>	<u>Total Carrying Value -</u>
	<u>Uncollateralized</u>	<u>With securities held by</u>	<u>All Deposits</u>	<u>All Deposits</u>
		<u>Pledging Institution or it's</u>		
		<u>Trust Department/Agent</u>		
		<u>But not in the Entity's Name</u>		
Cash and				
Cash Equivalents	\$ -	\$ -	\$ 1,101,961	\$ 728,981

Total bank balances and total carrying amount of deposits includes cash in the agency funds at year end of \$646,081.

**B. Investments**

Investments are stated at fair value. See also Note 1 (H) for additional investment disclosure information.

**Credit Risk - Investments**

Investments permitted by state statute include obligations issued, insured or guaranteed by the U.S. government including certificates or other ownership interest in such obligations and/or investments in registered mutual or trust funds consisting solely of U.S. government securities. The Sheriff's investment program is limited to purchases of bank certificate of deposits, U.S. treasury and government agency obligations as well as investments in the Louisiana Asset Management Pool, Inc. (LAMP). LAMP is a nonprofit corporation formed by an initiative of the State Treasurer, and organized under the laws of the State of Louisiana which operates a local government investment pool. It is the Sheriff's opinion that since these securities are governmental agencies, credit risk is not a factor.

**Custodial Credit Risk - Investments**

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the Sheriff will not be able to recover the value of the investment. Investments are exposed to custodial risk if the securities are (a) uninsured and unregistered and held by the counterparty or (b) uninsured, unregistered and held by the counterparty's trust department or

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

agent but not in the name of the Sheriff. The following chart presents the investment position of the Sheriff as of June 30, 2007. The various types of investments are listed and presented by whether they are exposed to custodial credit risk.

	<u>Investments</u>			
	Uninsured, Unregistered, and Held by the Counterparty	Uninsured, Unregistered & Held by the Counterparty's Trust Department or Agent But not in the Entity's Name	All Investments - Reported Amount	All Investments - Fair Value
Investments Not Categorized:				
LAMP	-	-	\$ 2,102,498	\$ 2,102,498
Total	\$ -	\$ -	\$ 2,102,498	\$ 2,102,498

Interest Rate Risk - Investments

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. Investments can be highly sensitive to changes in interest rates due to their terms or characteristics. The Sheriff's investment policy with regards to interest rate risk is to match cash flow requirements with cash flows from investments. This matching allows for securities to be held to maturity thereby avoiding realizing losses due to liquidation of securities prior to maturity, especially in a rising interest rate environment. Investing in longer term maturities that contain a "step up" in coupon interest rates will also contribute to the reduction of interest rate risk. Investments classified by maturity dates at June 30, 2007 are summarized below:

<u>Investment</u>	<u>Fair Value</u>	<u>0-1 Years Before Maturity</u>	<u>1-5 Years Before Maturity</u>	<u>6+ Years Before Maturity</u>
LAMP	2,102,498	2,102,498	-	-
Total	\$ 2,102,498	\$ 2,102,498	\$ -	\$ -

**5. RECEIVABLES**

The following is a summary of receivables at June 30, 2007:

<u>Class of Receivables</u>	<u>General Funds</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Intergovernmental:			
Federal	\$ 47,579	\$ 0	\$ 47,579
State	117,100	0	117,100
Local	24,005	0	24,005
Accounts Receivable	99,735	0	99,735
Total Receivables	\$ 288,419	\$ 0	\$ 288,419

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

**6. INTERFUND RECEIVABLES/PAYABLES**

There were no individual balances due from/to other funds in the fund financial statements at June 30, 2007.

**7. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2007 are as follows:

	<u>Furniture &amp; Fixtures</u>	<u>Vehicles</u>	<u>Weapons &amp; Equipment</u>	<u>Buildings</u>	<u>Total</u>
Cost of capital assets, June 30, 2006	\$ 638,868	\$1,020,906	\$2,409,025	\$ 982,300	\$5,051,099
Additions	52,167	321,366	237,808	3,665	615,006
Deletions	(96,064)	( 21,540)	(141,605)	(17,294)	(276,503)
Cost of capital assets, June 30, 2007	<u>594,971</u>	<u>1,320,732</u>	<u>2,505,228</u>	<u>968,671</u>	<u>5,389,602</u>
Accumulated depreciation, June 30, 2006	582,480	830,537	789,063	122,972	2,325,052
Additions	41,061	118,512	148,681	24,802	333,056
Deletions	(95,283)	( 1,181)	(101,939)	0	(198,403)
Accumulated depreciation, June 30, 2007	<u>528,258</u>	<u>947,868</u>	<u>835,805</u>	<u>147,774</u>	<u>2,459,705</u>
Capital assets net of accumulated depreciation, at June 30, 2007	<u>\$ 66,713</u>	<u>\$ 372,864</u>	<u>\$1,669,423</u>	<u>\$ 820,897</u>	<u>\$2,929,897</u>

Depreciation expense of \$333,056 for the year ended June 30, 2007 was charged to the general fund governmental function.

**8. ACCOUNTS AND SALARIES PAYABLE**

The payables of \$252,596 at June 30, 2007, are as follows:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Totals</u>
Accounts payable	\$ 21,772	\$ 0	\$ 21,772
Salaries & W/H payable	178,002	0	178,002
Other	<u>52,822</u>	<u>0</u>	<u>52,822</u>
Total	<u>\$ 252,596</u>	<u>\$ 0</u>	<u>\$ 252,596</u>

**9. PENSION PLAN**

*Plan Description.* Substantially all employees of the Pointe Coupee Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.5% for

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana  
Notes to the Financial Statements

each year if total service is at least 12 but less than 15 years, 2.75% for each year if total service is at least 15 but less than 20 years, and 3% for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate by 0.25 percent for all service rendered on or after January 1, 1980). In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (318) 362-3191.

*Funding Policy.* Plan members are required by state statute to contribute 10.0 percent of their annual covered salary and the Pointe Coupee Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 11.00 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Pointe Coupee Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Pointe Coupee Parish Sheriff's contributions to the System for the years ending June 30, 2007, 2006, and 2005, were \$280,818, \$271,258 and \$288,067, respectively, equal to the required contributions for each year.

#### **10. OTHER POSTEMPLOYMENT BENEFITS**

The Pointe Coupee Parish Sheriff provides certain continuing health care and life insurance benefits for retired employees. The sheriff recognizes the cost of providing these benefits (the sheriff's portion of premiums) as an expenditure when the monthly premiums are due, which was \$86,427 for the year ending June 30, 2007. The sheriff had fifteen retirees receiving benefits as of June 30, 2007.

In November 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions." This statement requires the accrual of postemployment benefits for retired employees (rather than a pay as you go method currently used). The sheriff is required to implement this standard for the fiscal year ending June 30, 2010. The sheriff has not yet determined the full impact that adoption of GASB Statement 45 will have on the financial statements.

#### **11. COMPENSATED ABSENCES**

At June 30, 2007, employees of the sheriff have accumulated and vested \$178,002 of employee leave benefits, which was computed in accordance with GASB Codification C60. This entire amount is recorded as an obligation of the General Fund.

#### **12. LEASES**

The sheriff has operating leases of the following nature:

Lease of airport hanger	@ \$350 per month.
Lease of postage meter	@ \$582 per quarter.
Lease of parking area maintenance barn	@ \$3,047 per year.
Lease of storage sheds (2)	@ \$65 per month.

All operating lease agreements are cancelable upon 30 days advance notice by either party. Rental expenditures of \$11,135 for the year ended June 30, 2007 were paid from the general fund.



**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

**13. CHANGES IN AGENCY FUND BALANCES**

See supplemental information Schedule of Changes in Balances Due to Taxing Bodies and Others.

**14. LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the years ended June 30, 2007:

	<u>Bonded Debt</u>	<u>Lease Purchase Agreements</u>	<u>Total</u>
Long-term obligations			
At June 30, 2006	\$ 400,000	\$ 0	\$ 400,000
Additions	0	0	0
Deductions	<u>( 70,000)</u>	<u>( 0)</u>	<u>( 70,000)</u>
Long-term obligations			
At June 30, 2007	\$ <u>330,000</u>	\$ <u>0</u>	\$ <u>330,000</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2007:

	<u>Bonded Debt</u>	<u>Lease Purchase Agreements</u>	<u>Total</u>
Current portion	\$ 75,000	\$ 0	\$ 75,000
Long-term portion	<u>255,000</u>	<u>0</u>	<u>255,000</u>
Total	\$ <u>330,000</u>	\$ <u>0</u>	\$ <u>330,000</u>

All bonds of the sheriff outstanding at June 30, 2007, in the amount of \$330,000, consist of certificates of indebtedness with maturities from November 2007 to November 2010 and interest at rates of 5.3%. Bond principal and interest payable in the next fiscal year are \$75,000 and \$15,503, respectively. The individual issue is as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
Certificate of Indebtedness, Series 2000	\$ 700,000	0.0 – 5.3	11/01/10	\$ 36,305	\$ 330,000

All principal and interest requirements are funded in accordance with Louisiana law by the excess of annual revenues of the general and special funds of the Law Enforcement District of the Parish of Pointe Coupee after payment of statutory, necessary, and usual charges. The certificates are due as follows:

<u>Year ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2008	75,000	15,503	90,503
2009	80,000	11,395	91,395
2010	85,000	7,022	92,022
2011	<u>90,000</u>	<u>2,385</u>	<u>92,385</u>
Total	\$ <u>330,000</u>	\$ <u>36,305</u>	\$ <u>366,305</u>

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

**15. TAXES PAID UNDER PROTEST**

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2007, as reflected on the Combined Balance Sheet, include \$323,130 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$31,244. These funds are held pending resolution of the protests and are accounted for in the Tax Collector Agency Fund.

**16. INTERFUND TRANSFERS**

There were no interfund transfers during the year ended June 30, 2007.

**17. RISK MANAGEMENT**

The Pointe Coupee Parish Sheriff is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Pointe Coupee Parish Sheriff purchases commercial insurance with a self-insured retention. The Pointe Coupee Parish Sheriff accounts for and finances its uninsured risks of loss (self-insured retention) through the General Fund. The general fund is subject to a self-insured retention per occurrence for up to a maximum of \$50,000 for automobile claims, general liability and law enforcement claims, with the maximum cumulative amount of self-insured retention being \$200,000 per year in aggregate (aggregate does not apply to auto physical damage, employment related practices, healthcare or property losses). A reserve of \$52,822 was established and is reported as a designation of the General Fund fund balance. The claims liability of \$52,822 reported in the general fund at June 30, 2007 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims &amp; Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
2001-2002	\$ 26,573	\$ 67,159	\$ 52,880	\$ 40,852
2002-2003	\$ 40,852	\$ 1,875	\$ 9,584	\$ 33,143
2003-2004	\$ 33,143	\$ 54,119	\$ 32,597	\$ 54,665
2004-2005	\$ 54,665	\$ 54,325	\$ 15,852	\$ 92,138
2005-2006	\$ 92,138	\$(59,128)	\$ 27,350	\$ 5,660
2006-2007	\$ 5,660	\$ 53,937	\$ 6,775	\$ 52,822

**18. LITIGATION AND CLAIMS**

At June 30, 2007, the sheriff is involved in four lawsuits and eleven potential claims. The sheriff's legal counsel feels the cases will be resolved in the sheriff's favor. However, the ultimate resolution of these lawsuits cannot be presently determined and no provision for any liability that may result from such claims has been made in the financial statements. The cost of litigation and claims incurred during the fiscal year was \$13,537. This entire amount has been recorded as current-year expenditures in the General Fund.

**19. EXPENDITURES OF THE SHERIFF'S OFFICE  
PAID BY THE PARISH POLICE JURY**

Certain operating expenditures of the sheriff's office are paid by the parish police jury and are not included in the accompanying financial statements. These expenditures are summarized as follows:

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Financial Statements**

Description

1. Utilities - Main Office Courthouse Building
2. Building Maintenance - Main Office Courthouse Building
3. Parish Jail Maintenance - Pointe Coupee Parish Detention Center
4. Feeding, medical care, and transporting of prisoners

**20. ON-BEHALF PAYMENTS**

A portion of the salaries of the sheriff's deputies are paid through a supplement from the state. These payments provide the deputies of the sheriff's office with an additional \$300 per month, which is added to their base salary. For the year ended June 30, 2007, \$143,216 was received from the state and is included in revenues under state supplemental pay and in expenses under personal service and related benefits on the combined statement of revenue, expenditures, and changes in fund balance.

**REQUIRED SUPPLEMENTARY INFORMATION**

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE**

For the Year Ended June 30, 2007

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Ad valorem taxes	\$ 3,821,000	\$ 4,074,920	\$ 4,074,525	\$ (395)
Intergovernmental revenues:				
Federal grants	46,773	110,145	92,607	(17,538)
State grants:				
State revenue sharing	161,000	161,000	161,331	331
State supplemental pay	144,000	144,000	143,216	(784)
Miscellaneous	1,200	1,000	1,000	0
Local	178,000	189,000	191,776	2,776
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	17,600	16,700	14,332	(2,369)
Civil and criminal fees	68,000	95,000	118,187	23,187
Court attendance	10,000	12,000	12,988	988
Feeding, transporting, and keeping prisoners	770,000	870,000	935,806	65,806
Fines and forfeitures	80,000	110,000	107,540	(2,460)
Interest	30,000	80,000	96,685	16,685
Miscellaneous	391,200	465,100	493,984	28,884
 Total revenues	 5,718,773	 6,328,865	 6,443,975	 115,110
<b>EXPENDITURES</b>				
Public safety:				
Salaries and related benefits	3,498,475	3,887,659	3,878,835	8,824
General Operations	763,937	764,275	683,539	80,736
Materials and supplies	491,650	570,909	535,997	34,912
Capital outlay	128,000	215,271	175,389	39,882
Debt service	89,345	89,345	89,366	(21)
Other expenses	409,160	478,100	544,328	(66,228)
 Total expenditures	 5,380,567	 6,005,559	 5,907,454	 98,105
 <b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	  \$ 338,206	  \$ 323,306	  \$ 536,521	  \$ 213,215

**POINTE COUPEE PARISH SHERIFF**  
 Now Roads, Louisiana  
**GENERAL FUND**

**BUDGETARY COMPARISON SCHEDULE**

For the Year Ended June 30, 2007

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 338,206</b>	<b>\$ 323,306</b>	<b>\$ 536,521</b>	<b>\$ 213,215</b>
<b>OTHER FINANCING SOURCES (Uses)</b>				
Sale of equipment	0	200	200	0
Transfers In	0	4,604	0	(4,604)
Transfers out	0	(2,267)	0	2,267
Total other financing sources (uses)	0	2,537	200	(2,337)
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>338,206</b>	<b>325,843</b>	<b>536,721</b>	<b>210,878</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>1,119,136</b>	<b>1,684,501</b>	<b>1,684,501</b>	<b>0</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 1,457,342</b>	<b>\$ 2,010,344</b>	<b>\$ 2,221,222</b>	<b>\$ 210,878</b>

**SUPPLEMENTAL INFORMATION SCHEDULES**

**POINTE COUPEE PARISH SHERIFF  
New Roads, Louisiana**

**NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS**

**EDWARD BYRNE MEMORIAL STATE & LOCAL LAW ENFORCEMENT ASSISTANCE PROGRAM**

This program is used to provide local governments with discretionary grant funds for leadership and direction in controlling the use and availability of illegal drugs and to improve the functioning of the criminal justice system, with emphasis on violent crime and serious offenders.

**CRIME VICTIM ASSISTANCE AND VIOLENCE AGAINST WOMEN**

These funds are used to account for the United States Department of Justice grants awarded to the Pointe Coupee Parish Sheriff as sub-grants passed through the Louisiana Commission on Law Enforcement. Expenditures of these funds are for direct services to crime victims and to develop and strengthen law enforcement and prosecution strategies to combat violent crimes against women. These grants consist of a federal match and a local match.

**ODP HOMELAND SECURITY**

These funds are used to account for the United States Department of Homeland Security grants awarded to the Pointe Coupee Sheriff as sub-grants passed through the Louisiana Office of Homeland Security & Emergency Preparedness. Expenditures of these funds are to enhance the capacity of state and local emergency responders to prevent, respond to, and recover from a weapons of mass destruction terrorism incident involving chemical, biological, radiological, nuclear, and explosive devices and cyber attacks.



**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**

**Combining Balance Sheet - Nonmajor Governmental Funds**

June 30, 2007

	<u>SPECIAL REVENUE FUND</u>				<u>TOTAL</u>
	<u>CRIME</u>	<u>BYRNE</u>	<u>ODP</u>		<u>NONMAJOR</u>
	<u>VICTIM</u>	<u>MEMOR.</u>	<u>HOMELAND</u>		<u>GOVERNMENTAL</u>
	<u>ASST</u>	<u>PREVENT</u>	<u>GRANT</u>	<u>SECURITY</u>	<u>FUNDS</u>
<b>ASSETS AND OTHER DEBITS</b>					
Assets:					
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0	0
Receivables	0	0	0	0	0
Due from other funds	0	0	0	0	0
Total Assets	\$ 0	\$ 0	\$ 0	\$ 0	0
<b>LIABILITIES AND FUND EQUITY</b>					
Liabilities:					
Accounts and salaries payable	\$ 0	\$ 0	\$ 0	\$ 0	0
Grant advances	0	0	0	0	0
Due to other funds	0	0	0	0	0
Total Liabilities	0	0	0	0	0
Equity and Other Credits:					
Unreserved - designated	0	0	0	0	0
<b>TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana

**Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance-  
Nonmajor Governmental Funds**

For the Year Ended June 30, 2007

	SPECIAL REVENUE FUNDS				TOTAL NONMAJOR GOVERNMENTAL FUNDS
	CRIME VICTIM ASST	VIOLENCE PREVENT	BYRNE MEMOR. GRANT	ODP HOMELAND SECURITY	
<b>REVENUES</b>					
Intergovernmental revenues:					
Federal grants	\$ 10,893	\$ 4,860	\$ 241,369	\$ 254,080	\$ 511,202
Interest	0	0	0	0	0
Total revenues	10,893	4,860	241,369	254,080	511,202
<b>EXPENDITURES</b>					
Public safety:					
Personal services and related benefits	0	0	0	0	0
General operations	10,893	4,860	32,150	38,732	86,635
Supplies	0	0	0	5,309	5,309
Capital outlays	0	0	209,219	210,039	419,258
Other expenses	0	0	0	0	0
Total expenditures	10,893	4,860	241,369	254,080	511,202
<b>EXCESS(Deficiency) OF REVENUES OVER EXPENDITURES</b>	0	0	0	0	0
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	0	0	0	0	0
Transfers (out)	0	0	0	0	0
Total other financing sources (uses)	0	0	0	0	0
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	0	0	0	0	0
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	0	0	0	0	0
<b>FUND BALANCE AT END OF YEAR</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**SHERIFF'S FUND**

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and garnishments. It also accounts for collections of bonds, fines and costs, and payment of these collections to the recipients in accordance with applicable laws.

**TAX COLLECTOR FUND**

Article V, Section 27 of the Louisiana Constitution of 1984, provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

**FINE FUND**

The fine fund is used to account for funds collected for judicial penalties as imposed by judges.

**COMMISSARY FUND**

This fund was established to provide commissary services to prisoners. The net proceeds of commissary sales are used for inmate welfare and other inmate related expenditures.

**INMATE TRUST FUND**

This fund was established as a holding account for prisoner deposits. Money orders or cash are received from the prisoners and deposited into this account and held in the account until requested.

**BAIL BOND FUND**

This fund accounts for the collection of a 2% of every 100 dollars bond premium fee to be distributed among the sheriff, district attorney, indigent defender board, and judicial court fund.

**WITNESS SUBPOENA FUND**

This fund accounts for the collection of fees charged to the parish government for the payment to law enforcement deputies for attendance at trials.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**FIDUCIARY FUNDS - AGENCY FUNDS**

Combining Balance Sheet, June 30, 2007

	SHERIFF'S FUND	TAX COLLECTOR FUND	FINES FUND	COMMIS- SARY FUND	INMATE FUND	BAIL BOND & WITNESS SUBPOENA FUNDS	TOTAL
<b>ASSETS</b>							
Cash and cash equivalents	\$ 134,007	\$ 441,748	\$ 22,035	\$ 26,877	\$ 11,523	\$ 9,890	\$ 646,081
Due from other funds	0	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$ 134,007</b>	<b>\$ 441,748</b>	<b>\$ 22,035</b>	<b>\$ 26,877</b>	<b>\$ 11,523</b>	<b>\$ 9,890</b>	<b>\$ 646,081</b>
<b>LIABILITIES</b>							
Due to other funds	0	0	0	0	0	0	0
Due to taxing bodies & others	134,007	441,748	22,035	26,877	11,523	9,890	646,081
<b>TOTAL LIABILITIES</b>	<b>\$ 134,007</b>	<b>\$ 441,748</b>	<b>\$ 22,035</b>	<b>\$ 26,877</b>	<b>\$ 11,523</b>	<b>\$ 9,890</b>	<b>\$ 646,081</b>

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**FIDUCIARY FUNDS - AGENCY FUNDS**

**Schedule of Changes in Balance Due  
to Taxing Bodies and Others  
For the Year Ended June 30, 2007**

	SHERIFF'S FUND	TAX COLLECTOR FUND	FINES FUND	COMMIS- SARY FUND	INMATE FUND	BAIL BOND & WITNESS SUBPOENA FUNDS	TOTAL
<b>BALANCES AT BEGINNING OF YEAR</b>	\$ 109,606	\$ 344,829	\$ 24,966	\$ 13,089	\$ 9,459	\$ 11,493	\$ 513,442
<b>ADDITIONS</b>							
Deposits:							
Sheriff's Sales	760,414						760,414
Bonds	27,000						27,000
Fines and Costs			196,783				196,783
Garnishments	171,672						171,672
Other deposits	5,509		1,180	68,274	6,246	54,187	135,396
Taxes, etc. paid to tax collector		14,901,099					14,901,099
Total additions	964,595	14,901,099	197,963	68,274	6,246	54,187	16,192,364
Total	1,074,201	15,245,928	222,930	81,363	15,704	65,680	16,705,806
<b>REDUCTIONS</b>							
Taxes, fees, etc., distributed to taxing bodies and others		14,804,179					14,804,179
Deposits settled to:							
Sheriff's General Fund	10,431		37,128			11,860	59,419
Police jury			66,865				66,865
District Attorney			22,557			11,860	34,417
Clerk of Court	10,403		4,992				15,395
Indigent defender board			40,378			11,860	52,238
Attorneys, appraisers, etc.	148,900						148,900
Other settlements	770,460		28,975		4,181	20,210	823,826
Other reductions:							
Purchases - merchandise				54,486			54,486
Total reductions	940,194	14,804,179	200,895	54,486	4,181	55,790	16,059,725
<b>BALANCES AT END OF YEAR</b>	\$ 134,007	\$ 441,748	\$ 22,035	\$ 26,877	\$ 11,523	\$ 9,890	\$ 646,081

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**SUPPLEMENTAL SCHEDULES**  
**As of and for the Year Ended June 30, 2007**

**GENERAL**

**EXPENDITURES OF FEDERAL AWARDS  
AND AUDIT FINDINGS RESOLUTION**

In accordance with Office of Management and Budget Circular A-133, the schedule of expenditures of federal awards is presented, follow-up and corrective action taken on prior audit findings, schedule of current year audit findings, and corrective action plans for current year audit findings.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2007**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	<u>Expenditures</u>
<b>United States Dept. of Justice:</b>			
Passed through the Louisiana Commission on Law Enforcement:			
Crime Victim Assistance	16.575	C05-5-001	5,324
(Victim Assistance Program)	16.582	C06-5-001	5,569
Violence Against Women Formula Grants	16.588	M04-5-001	1,906
(Domestic Violence Program)		M05-5-001	2,954
Juvenile Justice & Delinquency Prevention-	16.540	J03-5-001	2,351
Allocation to States (Family Strengthening Program &		J04-8-010	10,000
Character Links Program)		J05-5-001	7,698
Byrne Formula Grant Program	16.579	B06-5-001	2,947
(Criminal Records Improvement & Property Crime)			
Byrne Memorial Justice Assistance Program	16.738	B06-5-002	1,635
(Enhance Crime Scene Unit)			
Passed through City of BR- Parish of EBR:			
Community Prosecution & Project Safe Neighborhoods	16.609	N/A	11,996
Direct:			
Bullet Proof Vest Program	16.607	N/A	829
Edward Byrne Memorial State & Local Law Enforcement			
Assistance Discretionary Grants Program			
( Patrol & Information Sharing )	16.580	2006DDBX0141	241,369
<b>Total United States Department of Justice</b>			<u>294,578</u>
<b>U.S. Department of Homeland Security</b>			
Passed through La. Office of Homeland Security			
& Emergency Preparedness:			
Emergency Management Performance Grants	97.042	N/A	14,400
(EMPG Funding)			
Homeland Security Grant Program-			
(Project Interoperable Communication)	97.067	2005GET50004	
		LETPP	27,258
(Law Enforcement Terrorism Program)	97.067	2006GET60069	
		LETPP	13,493

The accompanying notes are an integral part of this schedule.

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2007**

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Expenditures</u>
<b>U.S. Department of Homeland Security</b>			
Passed through La. Office of Homeland Security & Emergency Preparedness:			
State Domestic Preparedness Equipment Support Program	97.004	2004GET4004	218,507
Urban Areas Security Initiative	97.008	2004TUT40018	<u>35,573</u>
<b>Total Department of Homeland Security</b>			<u><b>309,231</b></u>
 Total Program Expenditures			 <u><b>\$ 603,809</b></u>

The accompanying notes are an integral part of this schedule.



**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2007**

**Note A – Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Pointe Coupee Parish Sheriff and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**Note B – Risk Based Approach**

The dollar threshold used to distinguish between Type A and Type B programs is \$300,000. The Sheriff does not qualify as a low-risk auditee.

**OTHER REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS  
AND  
OMB CIRCULAR A-133**

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

A report on compliance with laws and regulations and on internal controls over financial reporting as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any deficiencies and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.

**Report on Compliance with Requirements Applicable to Each Major Program and On Internal Control Over Compliance in Accordance with OMB Circular A-133**

A report on compliance with requirements of laws, regulations, contracts, and grants applicable to each major program and internal control as required by *U.S. Office of Management and Budget (OMB) Circular A-133*. In conducting an audit in accordance with standards, this report discloses any instances of noncompliance with requirements of each major program as well as any deficiencies and/or material weaknesses in internal control over those major programs.

# MAJOR & MORRISON

CERTIFIED PUBLIC ACCOUNTANTS

JOHN L. MORRISON III, CPA, PC  
MARK A. DAVID, CPA, PC

VAN P. MAJOR, CPA (1951-2005)

MEMBERS:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Paul Raymond Smith  
Pointe Coupee Parish Sheriff  
P.O. Box 248  
New Roads, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee Parish Sheriff, as of and for the year ended June 30, 2007, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated December 7, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the Sheriff's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 07-1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Sheriff's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

### Compliance and Other Matters

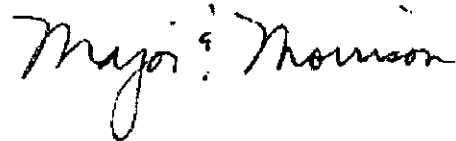
As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Sheriff's office in a separate letter dated December 7, 2007.

The Sheriff's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Sheriff's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Pointe Coupee Parish Sheriff, management, the Legislative Auditor for the state of Louisiana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Major & Morrison  
New Roads, Louisiana  
December 7, 2007

A handwritten signature in cursive script, appearing to read "Major & Morrison", is written in dark ink.

# MAJOR & MORRISON

CERTIFIED PUBLIC ACCOUNTANTS

JOHN L. MORRISON III, CPA, PC  
MARK A. DAVID, CPA, PC

VAN P. MAJOR, CPA (1951-2005)

MEMBERS:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Paul Raymond Smith  
Pointe Coupee Parish Sheriff  
P.O. Box 248  
New Roads, Louisiana

### Compliance

We have audited the compliance of the Pointe Coupee Parish Sheriff, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Pointe Coupee Sheriff's management. Our responsibility is to express an opinion on the Sheriff's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Sheriff's compliance with those requirements.

In our opinion, the Pointe Coupee Parish Sheriff complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

### Internal Control Over Compliance

The management of the Pointe Coupee Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Sheriff's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The Pointe Coupee Sheriff's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Sheriff's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Pointe Coupee Parish Sheriff, management, the Legislative Auditor for the state of Louisiana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Major & Morrison  
New Roads, Louisiana  
December 7, 2007

*Major & Morrison*

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana  
**Schedule of Findings and Questioned Costs**  
For the Year Ended June 30, 2007

**SECTION 1 - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?   yes Xno

Control deficiency(s) identified not  
considered to be material weaknesses? Xyes   none reported

Noncompliance material to financial statements  
noted?   yes Xno

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?   yes Xno

Control Deficiency(s) identified not  
considered to be material weaknesses?   yes Xnone reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported  
In accordance with Circular A-133, Section .510(a)?   yes Xno

**Identification of major programs:**

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	<b>United States Department of Justice:</b>
16.580	Edward Byrne Memorial State & Local Law Enforcement Discretionary Grant
	<b>United States Department of Homeland Security</b>
97.004	State Domestic Preparedness Equipment Support Program

Dollar threshold used to distinguish between  
Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee?   yes Xno

**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2007**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

Finding 07-1

**Condition:** As is common in small organizations, the sheriff does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in preparing its financial statements, including related notes. As such management has chosen to engage the auditor to prepare the annual financial statements. This condition is intentional by management based upon the sheriff's limited administrative personnel, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with GAAP. Based on this decision, internal controls over the preparation of the financial statements, including the notes, in accordance with GAAP have not been established. Under generally accepted auditing standards, this represents a significant deficiency in internal controls.

Statement on Auditing Standards (SAS) No. 112 requires that we report the above condition as a control deficiency. SAS 112 does not provide for exceptions to reporting deficiencies that are resolved with non-audit services performed by the auditor or deficiencies for which the costs make it impractical to correct.

**Recommendation:** As discussed above, whether it is cost effective to correct a control deficiency is not a determining factor in applying SAS 112 reporting requirements. The sheriff has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the office to outsource this task to its independent auditors, and carefully review the draft financial statements and notes prior to approving them and accepting responsibility for the contents and presentation.

**Management's Response:** Management has agreed with the auditor's finding and recommendation.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no matters reported as required by Circular A-133, Section .510(a).



**POINTE COUPEE PARISH SHERIFF**  
**New Roads, Louisiana**

**Summary Schedule of Prior Audit Findings**  
**For the Year Ended June 30, 2007**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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**Section I – Internal Control and Compliance Material to the Financial Statements:**

No findings.

**Section II – Internal Control and Compliance Material to Federal Awards:**

No findings.

**Section III – Management Letter**

No management letter was issued.

**POINTE COUPEE PARISH SHERIFF**  
New Roads, Louisiana

**Corrective Action Plan for  
Current Year Audit Findings  
For the Year Ended June 30, 2007**

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completed</u>
<b>Section I – Internal Control and Compliance Material to the Financial Statements:</b>				
07-1	The sheriff does not have a staff person who has qualifications & training to apply GAAP in preparing the entity's financial statements.	The sheriff has evaluated cost vs. benefit of establishing controls over preparing the financial statements in accordance with GAAP & determined that it best to have auditor prepare the financial statements & notes & review drafts before approving the reports for issuance.	S. Devillier PR Smith	Ongoing

**Section II – Internal Control and Compliance Material to Federal Awards:**

No findings.

**Section III – Management Letter**

We recommend that improvement be made in the tracking and tagging of the assets of the sheriff's office and an updated inventory count be performed due to the coming change in administration.

# MAJOR & MORRISON

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CERTIFIED PUBLIC ACCOUNTANTS

Honorable Paul Raymond Smith  
Pointe Coupee Parish Sheriff  
New Roads, Louisiana 70760

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pointe Coupee Parish Sheriff as of and for the year ended June 30, 2007, in accordance with auditing standards generally accepted in the United States of America, we considered the Sheriff's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the governmental unit's internal control. Accordingly, we do not express an opinion on the effectiveness of the governmental unit's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies to be significant deficiencies in internal control.

Item 07-1: The Sheriff's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles in preparing its financial statements, including related notes.

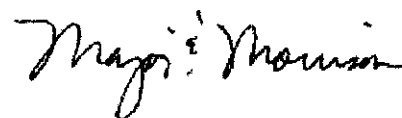
A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the deficiency referred to in the preceding paragraph does not constitute a material weakness.

In addition to the findings and comments noted in the reports as identified above which constitute control deficiencies, we wish to communicate the following comments and recommendations to the sheriff and management:

We feel that steps could be taken to improve the inventory tracking and listing of fixed assets of the sheriff's department. Also, examination of the assets reveals very old and no longer used assets, which are in storage that could be considered surplus equipment, auctioned or sold to the highest bidder to raise extra money for the office. In discussions with management, the office has already begun a complete physical inventory of all departmental assets, not only because of state requirements, but also due to the coming change in administrations at the end of the next fiscal year audit. This physical count is expected to be completed by the end of the next fiscal year and an auction is scheduled to sell any surplus assets no longer used by the department.

This communication is intended solely for the information and use of the Sheriff, management, the Legislative Auditor for the state of Louisiana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Major & Morrison  
New Roads, Louisiana  
December 7, 2007

A handwritten signature in cursive script, appearing to read "Major & Morrison".